

STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION
302 W. WASHINGTON STREET, SUITE E-306
INDIANAPOLIS, INDIANA 46204-2764

FILED <http://www.state.in.us/iurc/>
Office: (317) 232-2701
Facsimile: (317) 232-6758

AUG 15 2005

**APPLICATION OF INDIANA GAS COMPANY) INDIANA UTILITY
INC. D/B/A VECTREN ENERGY DELIVERY REGULATORY COMMISSION
OF INDIANA INC. ("VECTREN NORTH"))
FOR APPROVAL OF CHANGES IN ITS GAS) CAUSE NO. 37394-GCA 87
COST ADJUSTMENTS IN ACCORDANCE)
WITH I.C. 8-1-2-42(g) AND 8-1-2-42.3.)**

You are hereby notified that on this date, the Indiana Utility Regulatory Commission has caused the following entry to be made:

The presiding officers find that Indiana Gas Company, Inc. d/b/a Vectren Energy Delivery of Indiana, Inc. ("Vectren North") should file written responses to the following questions prior to the Evidentiary Hearing, or be prepared to address these issues at the Evidentiary Hearing:

1. The Company states that approximately 85% of its purchases for the reconciliation period were hedged by advanced purchases (Exhibit B, page 12). The OUCC states this amount is only 50.20% (Exhibit 3, page 1 of 3). Which is correct and what constitutes the difference?
2. The Company shows that 50.09% of its baseload supply is fixed by advanced purchases for the GCA period. The percentages of planned normal purchases fixed through a combination of fixed-priced advanced purchases and financial hedges represents 55% of September, 41% of October and 23% of November (Exhibit B, pages 11 and 12). The OUCC states that 19.8% are physically hedged purchases and 21.06% are financially hedged purchases (Exhibit 3, page 1 of 3). Is the OUCC basing its percentages on normal projected purchases for the period, and do its percentages reconcile with those of the Petitioner?

IT IS SO ORDERED.

Handwritten signature of Larry S. Landis.

Larry S. Landis, Commissioner

Handwritten signature of Abby R. Gray.

Abby R. Gray, Administrative Law Judge

Date: August 15, 2005